DOCUMENT RESUME

ED 271 568 CE 044 660

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TITLE The Targeted Jobs Tax Credit: An Uncertain and Unfinished Experiment.
INSTITUTION George Washington Univ., Washington, D.C. Center for Social Policy Studies.
PUB DATE 22 Jul 86
NOTE 21p.
PUB TYPE Information Analyses (070)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Disadvantaged; Employment Opportunities; *Employment Patterns; Federal Legislation; Labor Market; Policy Formation; Program Effectiveness; *Program Improvement; *Public Policy; *Tax Credits; *Unemployment
IDENTIFIERS *Targeted Jobs Tax Credit

ABSTRACT

The Targeted Jobs Tax Credit (TJTC), which was enacted in 1978, provided an incentive to employers to hire impoverished youth and other individuals from designated groups. In line with classical economic theory, advocates of TJTC anticipated that the legislation would boost total employment by reducing the cost of employing targeted workers. The Reagan administration opposes extending TJTC on the grounds that: (1) employers used it for workers they would have hired anyway; (2) any additional hiring of targeted workers under TJTC merely displaced other workers; and (3) the potential cost of TJTC could multiply tenfold since it is an entitlement program. Research on effectiveness of TJTC indicated that, at least to some extent, the views of the Reagan administration are justified. If Congress extends TJTC, it should tighten the program's provisions and exercise more diligent oversight to determine the credit's effectiveness. More information should be collected about the program, post-hiring voucher requests should be prohibited, the capability of the U.S. Employment Service should be increased, employers should be required to retain eligible workers for a minimum period to qualify for the tax credit, the wage base for the credit should be increased, the impact of vouchers on job search success should be examined further, and the eligibility determination system should be monitored more carefully. (MN)

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THE TARGETED JOBS TAX CREDIT: AN UNCERTAIN AND UNFINISHED EXPERIMENT

by

Sar A. Levitan and Frank Gallo

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THE TARGETED JOBS TAX CREDIT:

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Sar A. Levitan and Frank Gallo*

Since the New Deal the federal government has assisted individuals who experience difficulties finding sustained employment. More recently the government expanded the scope of its involvement by offering employers tax credits to induce them to become a partner in these efforts.

The Targeted Jobs Tax Credit (TJTC), enacted in 1978, provided a carrot to employers who hired impoverished youth and other individuals from designated groups. Congress expected that the subsidy would compensate employers for the perceived low productivity of the poor and help eligible individuals overcome prejudice they faced in the labor market. Advocates of TJTC anticipated, in line with classical economic theory, that the legislation would boost total employment by reducing the cost of employing targeted workers.

TJTC expired at the end of 1985, although employers continued to receive credit for individuals hired before the year's end. Congress is now considering extending the program. The Reagan administration opposes TJTC on the following grounds:

1) Employers used the credit for workers they would have hired without the subsidy;
2) Any additional hiring of targeted workers merely displaced other workers; and
3) Since TJTC was an entitlement program the potential cost could multiply tenfold.[1]

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TJTC could have offered a test of the wage subsidy concept. However, after seven years of experience with TJTC and an estimated $2.3 billion in tax expenditures and direct outlays, the effect of tax credits on promoting employment has not been carefully scrutinized. The available fragmentary information indicates that the intent of the legislation was frequently subverted. A significant proportion of the employees hired under the program would have been employed without TJTC, providing a windfall to employers. The extent of this practice has not been determined because Congress and the Departments of Labor and Treasury have been negligent until recently in performing their reporting, oversight and monitoring responsibilities. However, the tax credit might be an important experiment in aiding the poor. If Congress extends TJTC, it should tighten its provisions and exercise more diligent oversight to determine the effectiveness of the experiment.

TJTC Operations

1. The Targeted Groups

About 7 million individuals were potentially capable of benefiting from the program. They included 16 to 24 year olds, Vietnam-era veterans or ex-felons living in low income households; recipients of Aid to Families with Dependent Children (AFDC), Supplemental Security Income (for the aged, blind and disabled), and state or local general assistance; and handicapped individuals undergoing vocational rehabilitation. In 1985 a total of 622,000 individuals were certified to participate in the program (Table 1).

Table 1. Distribution of TJTC Participants, 1985

Target group	Number (thousands)	Percent
Total	622	100.0%
Youth	367	59.0
AFDC	100	16.0
Handicapped	43	7.0
Ex-felons	30	4.8
Teenagers in summer jobs	27	4.3
General assistance	27	4.3
Vietnam veterans	26	4.3
SSI	2	.4

Source: U.S. Department of Labor, Employment and Training Administration

Eligibility standards differed for the targeted groups. The income threshold for youth, Vietnam-era veterans, and ex-felons was set at 70 percent of the Department of Labor's lower living standard income level for households. This threshold varies by locality, ranging in the continental U.S. from $9100 to $11,110 for the average sized poor household of three, compared to the uniform 1986 federal poverty guideline of $9120. Each of the three income support programs has its own eligibility standard, which varies by state and, except for SSI, is usually set below the poverty line. Handicapped individuals undergoing vocational rehabilitation were not subject to an income test.

The U.S. General Accounting Office has estimated that employers annually hire nearly 4 million of the roughly 5 million eligible 18-24 year olds.[2] Given the widespread hiring of targeted individuals without TJTC assistance, the need for careful policing of incentives granted to employers under the act should have been apparent.

2. Vouchers and Certificates

An individual, an employer, or a government agency (usually the public employment office) could initiate an eligibility determination for a potentially qualified individual. The local public employment, job training, public assistance or vocational rehabilitation office could screen job seekers and issue vouchers to eligible applicants for presentation to prospective employers as an inducement for hiring.

Employers could request a referral of TJTC-eligible job seekers from the local public employment office, or ask the latter to review the eligibility of job applicants or new hires. To qualify for a tax deduction employers hiring vouchered applicants had to send the voucher or a written request to the employment office no later than five days after the employee's starting date. For applicants or new hires without a voucher, mailed written requests were required on or before the date the individual began work. Federal rules required the employment office to call the individual in for an appointment, although there is anecdotal evidence that this rule was ignored. The individual, if eligible, was given a voucher. After being signed by the employer, returned vouchers were rechecked by the employment office and, if eligibility was confirmed, a certificate was issued enabling the employer to receive a tax credit for the employee.

During the seven years the program was in operation 6 million individuals received TJTC vouchers, including an unknown number of duplications. The public employment office issued certifications for more than 4 of every 10 vouchers (Table 2). Presumably most of the 2.6 million certified individuals were employed.

TJTC grew rapidly through 1981, when legislative amendments barred employers from requesting tax credits for employees already on the payroll

and cooperative education students were placed under an income test. Initially, the amendments cut the number of certifications in half. However, by 1983 certifications had doubled, surpassing the 1981 total. The Labor Department has not offered an explanation for the factors that might have accounted for this dramatic increase in program participation. The number of certifications continued to rise at a slower pace through 1985.

Table 2. TJTC Vouchers and Certifications

Fiscal year	Vouchers	Certifications	Ratio of certifications to vouchers
	(thousands)		
Total	6028	2573	42.7%
1979	84	37	44.2
1980	617	306	49.6
1981	734	412	56.1
1982	625	202	32.4
1983	1287	431	33.5
1984	1338	563	42.1
1985	1343	622	46.3

Source: U.S. Department of Labor, Employment and Training Administration

An examination of state data provides some idea of the diversity of the program. Among the states with the most certifications, Louisiana certified 9 of 10 vouchered individuals, while New York and Ohio certified only 1 of 3. State unemployment rates did not seem to affect TJTC operations.

3. The Tax Credit

According to Labor and Treasury Department figures, the average tax credit amounted to about $830 per hired individual. The maximum TJTC credit an employer could receive was $4500 per qualifying employee: 50 percent of $6000 paid during the first year of employment, and 25 percent during the second year. The allowable credit was more generous for disadvantaged youth aged 16-17 years hired for a summer job, amounting to 85 percent of

up to $3000 paid during any 90 day period between May 1 and September 15, or a maximum of $2550. The more liberal credit rate clearly indicated congressional interest in promoting summer jobs for teenagers. However, the rationale for using a higher wage base for the summer credit is not apparent. Wages of $3000 during a 90 day period amounted to a full-time rate of nearly $6 per hour, whereas the $6000 annual limit applicable to the regular credit was below the minimum hourly wage of $3.35 on a full-time, full-year basis.

The credit was limited by other tax provisions. First, the credit had to be subtracted from wages taken as a tax deduction for ordinary business expenses. For example, the employer received a $3000 credit for a TJTC employee who earned $6000 during the first year. However, the $3000 had to be subtracted from the $6000 in wages the employer took as a deduction for ordinary business expenses for this employee. This limitation did not nullify the credit. Tax credits reduce taxes directly, and are therefore worth more than tax deductions, which reduce taxable income. An employer subject to the top corporate tax rate received a tax credit of $1620 ($3000 less 46 percent of $3000).

Second, the law capped the total amount of tax credits, including TJTC, that an employer could claim in any one year. The $3000 tax credit was added to any amounts claimed for the investment tax, alcohol fuel, and employee stock ownership credits. Total tax credits which could be used in any one year were limited to the lesser of the employer's income tax owed, or $25,000 plus 85 percent of the tax amount over $25,000. Unused credits could be carried back for 3 years or forward for 15 years.

4. Financing and Administration

The total price tag of the program amounted to about $2.3 billion, including some $140 million in direct outlays for administration. Tax expenditures accounted for the balance, as follows:

Fiscal year	Estimated revenue loss
Total	$2,135 (millions)
1979	15
1980	155
1981	305
1982	235
1983	455
1984	330
1985	440
1986	200

The estimated revenue losses are ball park figures for two reasons. First, the IRS did not disaggregate tax losses due solely to TJTC from other tax credits. Second, Treasury Department estimates for TJTC tax expenditures were projections. For example, the fiscal 1987 budget, released in January 1986, provided an estimated revenue loss due to TJTC in 1985 three months before the deadline for tax returns.[3] In addition to tax expenditures, the Labor Department spent $27.5 million in fiscal 1985 to administer the program.

TJTC was jointly administered by the Treasury and Labor Departments. The IRS administered the tax provisions of the program, while the Labor Department was responsible for vouchers, certificates and the promotion of TJTC. Labor decentralized its duties by delegating the day-to-day administrative chores to the federal-state employment or job service agencies.

Both departments failed to evaluate TJTC in a systematic manner. Although several studies were produced by DOL in the early years of the program, the department has released only a trickle of information about

TJTC operations since then, despite significant reforms enacted by Congress in 1981. A congressionally-mandated assessment of TJTC due by June 30, 1981 was not released until mid-1986. The Labor Department commenced a five part assessment of the program in 1984, but only one of these studies is in the public domain. In addition, the Labor Department did not issue congressionally-required annual reports on the accuracy of the eligibility determination system until mid-1986, although the first report was required for 1983.

Has TJTC Boosted Employment Opportunities?

An assessment of the program's effectiveness remains elusive, because even basic information about TJTC operations is lacking. Significantly, the average wage rates paid to TJTC workers is unknown. Although there is some evidence that the tax credit has had a positive impact, problems have also become apparent.

The primary assumption behind TJTC was that the poor faced barriers to being hired and retained, and that tax subsidies would overcome these obstacles. A 1982 survey funded by the U.S. Department of Health and Human Services found that three of four employers surveyed were not interested in hiring TJTC eligibles, because they perceived that targeted individuals were unproductive and they had little confidence that public employment offices would refer acceptable applicants. While the finding suggests that TJTC did not reverse employer attitudes, it is possible that it represents a marginal improvement over prior private sector views. The survey was not limited to firms employing low-skilled workers, and a small proportion of the employers queried indicated that they did not employ such workers. One positive finding was that employers who hired targeted workers believed

they were about as productive as other employees in the same occupation, indicating that the tax credit may have had some impact in ameliorating labor market biases faced by poor job seekers.[4]

Evidence exists, however, that employers -- maybe the majority who used the tax credit -- would have hired the same individuals in the absence of TJTC. Prior to 1981 about two-thirds of the employees certified for the credit were already on the payroll, and therefore TJTC could hardly have influenced the hiring decision.[5] In 1981 Congress tightened the rules by requiring employers to apply for eligibility determinations before the employee began work. The tightening provision was, at best, only partially successful in preventing windfall benefits. Requests for all new hires could still be made merely by submitting their names to the local public employment office on or before the date they began work. No national data exist on the number of employer requests for vouchers, but a study of Maryland's experience cited requests totaling 47,000 names in 1984, of whom only 2,000 individuals were certified.[6] Such a large number of requests would be expected to overwhelm employment offices. However, there is anecdotal evidence that some offices ignored TJTC guidelines requiring responses to employers' written requests, forcing employers to make follow-up requests to obtain a decision.

Requesting TJTC eligibility <u>after</u> hiring contradicted the act's intent of increasing job opportunities for those who otherwise might not be hired. Particularly suspect was the growing practice of hiring intermediaries between employers and public employment offices. The service of these intermediaries seemed to focus on securing post-hiring vouchers. Employment service officials in 5 of 12 states surveyed in a Labor Department-sponsored study estimated that the specially hired consultants

generated more than 50 percent of TJTC vouchers.[7] A forthcoming study sponsored by the W.E. Upjohn Institute for Employment Research found that employers forwarded the names of all new hires to intermediaries, who then presented letters of request to the public employment office.[8] The extent of post-hiring vouchers on a national basis, requested by consultants or by employers directly, is unknown. A Maryland study found that between 1982 and 1985 post-hiring requests accounted for about two of five certifications.[9]

The proportion of certifications resulting from post-hiring requests was also affected by the recent retrenchment in the public employment service. A Labor Department-sponsored study found that employment offices responded to budget cuts by restricting vouchers to individuals referred by employers.[10] As can be gleaned from Table 2, national data provide some evidence in support of this conclusion. During fiscal 1984 and 1985 the number of vouchers barely increased while certifications continued to grow.

Congress assumed that a TJTC voucher would improve the chances of the targeted individuals to compete in the labor market. Three studies examined this question and arrived at conflicting conclusions. Two demonstration projects sponsored by the U.S. Department of Labor and Wisconsin's Department of Health and Social Services, respectively, found that vouchered job applicants were about half as likely to be hired as comparable applicants without a voucher.[11]

These results have led to claims that tax credits for employing the disadvantaged are counterproductive because vouchers stigmatize job seekers. This sweeping conclusion is unwarranted. First, since employers and job seekers were not questioned about their experiences it cannot be assumed that stigmatization explains the findings. Second, while it may be

true that vouchers are counterproductive, other means of marketing job tax credits may successfully increase employment opportunities for the poor. For example, the employment service could target employers willing to participate in TJTC to promote the program.

The third study, by Ohio State University's National Center for Research in Vocational Education, concluded that the impact of vouchers was partially dependent upon the qualifications of the applicant. The investigators asked employers to rate hypothetical job applications, some of which noted eligibility for TJTC. Employers tended to view TJTC applicants with more education or job experience unfavorably, while lower-skilled applicants tended to benefit from the voucher. The authors speculated that individuals qualified for more than entry jobs might be stigmatized by a TJTC voucher, but that those most in need of assistance benefited from the program.

Whatever the voucher's impact on job search success, employers (both before and after hiring) apparently generated the bulk of TJTC eligibility requests, although the implications of this finding are unclear. The effect of budget cuts on the employment service was one factor. Another possibility was that vouchered applicants failed to present the voucher to prospective employers.

The Ohio State University study also found that TJTC had little impact on hiring standards, but resulted in a significant increase in the use of public employment offices or other government agencies to obtain referrals. This enhanced the opportunities of targeted individuals to apply for job openings, since the referral agencies serve a disproportionate share of targeted workers. How many were actually hired remains unknown.

Little evidence exists to determine whether employers substituted TJTC-eligible workers for other employees rather than creating additional jobs. The Congressional Budget Office speculated that substitution occurred, but the conclusion was based on highly questionable evidence. Since employers do not record the family income of their employees, the CBO used youth employment as a proxy for poor youth. Having found that firms which used the tax credit hired 6 percent more youths than firms not using TJTC but that total employment did not increase, CBO inferred that employers were substituting TJTC-eligibles for other workers.[12]

Although the primary purpose of TJTC was to increase employment opportunities and consequently raise future earnings, Congress also demonstrated interest in the amount of on-the-job training received by TJTC workers. The limited available evidence showed that the average earnings of TJTC workers was very close to the minimum wage, and a very small sample from the National Longitudinal Survey of Labor Market Experience showed that the average employment duration was 3.5 months (compared with 3.8 months for other low income youth and 4.4 months for non-poor youth).[13] Given the low-skill jobs subsidized by the tax credit, it seems unlikely that workers received much training, but obtaining work experience was no doubt important to many individuals qualifying for TJTC.

Making TJTC More Effective

TJTC advocates have introduced a number of bills amending the law in the 99th Congress. These proposals would either qualify more target groups (older workers or displaced homemakers) or change the credit formula (increase or decrease the tax credit or shorten the duration). The tax reform bill passed by the House in 1985 (H.R. 3838) reduced the credit from

50 to 40 percent of qualifying wages and limited it to one year. In addition, the employer could not receive the tax credit unless the worker was employed for at least 14 days. The Senate Finance Committee's tax reform bill (also H.R. 3838) limited the credit to one year and required employees to be retained for a minimum of 90 days or 120 working hours to qualify the employer for a tax credit.

The proposed amendments fail to address the crucial issues of prohibiting eligibility requests after hiring, and preventing the substitution of TJTC workers for other employees. Such goals may not be easy to achieve. It could be difficult to verify and enforce a prohibition on voucher requests after hiring. Requiring a net increase in employment as a condition for receiving the tax credit, while it would hinder substitution, raises other concerns. Expanding new firms would benefit relative to established ones and offer the former a competitive advantage, without necessarily expanding the total number of jobs.

Employer involvement is necessary to combat continued high unemployment among youth, and TJTC offers employers a carrot to hire deficiently educated and unskilled youth. TJTC should be continued on an interim basis, provided that Congress and the administration act vigorously to assess the program. The following areas merit consideration:

1. More information should be collected on the program.

As a first step Congress should require the collection, dissemination and analysis of data that would allow for better insights into the operations of the program. Very little information has been collected, and some operational data were collected but neither analyzed nor published by the Labor Department. Furthermore, the available data presented by the Labor and Treasury Departments are internally inconsistent. If the figures

on the number of certifications, revenue losses, hourly wages and employment duration are put together, the average tax credit would have to be about 50 percent of qualifying wages. However, since 50 percent is the maximum and other tax provisions limit the total, the average tax credit rate must be significantly lower. It is probable that the Treasury Department's revenue loss estimates are overstated, but the discrepancies demonstrate the need for more reliable information on the program. At a minimum the following information is necessary to assess the effectiveness of TJTC:

a. Job characteristics (including type of job, duration, and wage rates);
b. Firm characteristics (including type and size);
c. Characteristics of vouchered individuals;
d. Number eligible for TJTC and total requests for vouchers;
e. Time required by public employment offices to respond to employer requests;
f. Collection and analysis of voucher requests after hiring; and
g. More accurate estimates of revenue loss resulting from TJTC.

Congress should require annual reports by the Labor and Treasury Departments containing at a minimum the indicated information. The General Accounting Office should be instructed to analyze these data and assess the program's effectiveness.

2. Post-hiring voucher requests should be prohibited.

The purpose of the tax credit is to increase the hiring of targeted individuals. Applying for TJTC after the hiring decision is made negates the program's intent. Employers should be required, subject to appropriate penalties, to certify that the applicants have not been hired prior to the voucher request. Florida's use of a telephone eligibility determination system should be scrutinized by the GAO to assess response time and program integrity under this method.

3. Increase the capability of the U.S. employment service.

Because employers are not readily able to determine job applicants' eligibility for the tax credit, the system is highly dependent upon local public employment offices. If there is merit to the hypothesis that vouchered individuals are stigmatized, cooperative employer-employment service relationships are critical to the success of the program. This cooperation is contingent upon a degree of employer confidence in the employment service that is often lacking, contributing to the reluctance of employers to utilize employment offices and consequently TJTC. Revitalizing the employment service is not an easy task, and it is made much more difficult by the administration's efforts to turn the program over to the states. However, TJTC cannot become fully effective without improving the public employment service.

As a first step, the allocation of federal funds for the administration of TJTC should reward state employment services for effective promotion of the program. The present allocation formula awards 65 percent of the administrative funds based on the number of certifications, and 35 percent based on population. The formula gives employment offices little incentive to promote vouchers per se, and should be adjusted accordingly.

4. Employers should be required to retain eligible workers for a minimum period to qualify for the tax credit.

Government subsidization of extremely short-term employment is unwarranted. Both the House and Senate tax legislation require a minimum period of employment to qualify for TJTC. The 14 day requirement of the House is so short as to be virtually insignificant. The 90 day or 120 working hours stipulation in the Senate bill is a better solution, but may

be unnecessarily complex. Since the credit is determined through income tax returns, a minimum standard based on qualifying wages would be more appropriate. A $1000 qualifying wage requirement, which represents 7.5 weeks of full-time minimum wage employment, seems reasonable.

5. The wage base for the credit should be increased.

The $6000 wage base covers full-time workers paid at the minimum wage for no more than about 10 months. Raising the wage base would not entail additional revenue losses if the credit percentage were lowered. For example, reimbursing 30 percent of up to $10,000 in wages would maintain the maximum credit of $3000. Increasing the wage base and reducing the credit percentage would make TJTC less attractive to employers offering low wage, short-term jobs, but it would provide a greater incentive to employers paying better wages for more secure positions.

6. The impact of vouchers on job search success should be further examined.

Based on data obtained from two demonstration projects, analysts inferred that TJTC vouchers stigmatize job seekers. These conclusions should not be considered definitive. However, the findings raise troubling questions about TJTC, and more rigorous experiments to determine the impact of a voucher are necessary.

7. The eligibility determination system should be more carefully monitored.

Congress in 1982 required the Labor Department to assess the accuracy of TJTC eligibility determinations. The Department's report for 1983-4 showed error rates of only 2 percent for both years. However, the Department's Inspector General projected a national error rate of 13.5 percent based on a sample study in 10 states. The Inspector General found that in 9 of the 10 states which reported a 2 percent error rate, support-

ing documentation was either unavailable or unreliable. Consistent with the Inspector General's recommendation, the Labor Department should exercise stricter oversight of eligibility determination audits.[14]

Reinvigorating the Public Sector

The TJTC experience demonstrates the need for more careful federal monitoring of public-private employment programs. Several of the foregoing recommendations would require statutory changes, including prohibiting post-hiring eligibility requests, requiring a minimum period of employment, and changing the credit formula. However, better collection and analysis of data and improvements in the employment service can be accomplished administratively. Extension of the program should be accompanied by congressional insistence that the Labor and Treasury Departments operate and evaluate TJTC in a more responsible manner.

At present, the verdict is still out on the usefulness of wage subsidies. The TJTC experience clearly indicates that wage subsidies require a vigorous government role in promoting employment opportunities for the poor.

Notes

1. Testimony of Mikel M. Rollyson on behalf of the Treasury Department, in U.S. Congress, House Committee on Ways and Means, Subcommittee on Select Revenue Measures, Extension of the Targeted Jobs Tax Credit (Washington: Government Printing Office, March 19, 1985), pp. 15-23.

2. U.S. General Accounting Office, Targeted Jobs Tax Credit Program Activity (Washington: General Accounting Office, June 8, 1983), GAO/PAD-83-44, p. 10.

3. Office of Management and Budget, Special Analyses, Budget of the United States Government (Washington: Government Printing Office, 1986), Table G-2, p. G-44.

4. John Bishop (ed.), Targeted Jobs Tax Credit: Findings from Employer Surveys (Columbus, Ohio: Ohio State University, National Center for Research in Vocational Education, May 1985), pp. 24-25, 30-31.

5. U.S. General Accounting Office, op cit, p. 1; John Bishop, op cit, p. 30.

6. Statement of Edward C. Lorenz, TJTC Coordinator, Maryland Department of Employment and Training, House Committee on Ways and Means, op cit, p. 35.

7. Macro Systems, Inc., Final Process Analysis Report on the Implementation and Use of the Targeted Jobs Tax Credit (TJTC) Program, May 7, 1985, p. VII-1. The U.S. Department of Labor, Employment and Training Administration, Office of Strategic Planning and Policy Development sponsored this study.

8. John Bishop, Ohio State University, National Center for Research in Vocational Education, phone conversation, March 14, 1986.

9. Edward C. Lorenz, Maryland TJTC Coordinator, phone conversation, May 2, 1986.

10. Macro Systems, op cit, p. III-12.

11. Gary Burtless, "Are Targeted Wage Subsidies Harmful? Evidence from a Wage Voucher Experiment," Industrial and Labor Relations Review, October 1985, pp. 105-114; Wisconsin Department of Health and Social Services, Division of Policy and Budget, and Institute for Research on Poverty, "Jobs Tax Credits -- The Report of the Wage Bill Subsidy Research Project, Phase II," January 1982.

12. Sandra Christensen, "The Targeted Jobs Tax Credit," Congressional Budget Office, May 1984, in U.S. Congress, House Committee on Ways and Means, Subcommittee on Select Revenue Measures, Targeted Jobs Tax Credit Extension (Washington: Government Printing Office, April 10, 1984), pp. 55-56.

13. Ibid., pp. 58-59 (data are for 1981).

14. U.S. Department of Labor, "A Report on the State Agencies' Verification Results of the Certifications Issued Under the Targeted Jobs Tax Credit (TJTC) Program, Calendar Years 1983/1984" (mimeo), 1986, p. 3; U.S. Department of Labor, Semiannual Report of the Inspector General, October 1, 1985-March 31, 1986 (Washington: U.S. Department of Labor, 1986), pp. 28-30.